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SEP 22 1998

CONCORD, N.H.

Honorable E. Harold Young
Appropriations Committee
House of Representatives

Dear Mr. Young:

You have recently requested the opinion
of this office on the following question:

"Can the credit of the State of New Hampshire be law-
fully pledged to secure a veterans association bond issue
for the purpose of providing funds for the building of a
convention hall at the Weirs?"

We reply in the affirmative.

It is a well recognized rule of law that
the expenditure of public money for the promotion of patriotism is a
proper expenditure. It is generally understood that the construction
of buildings for the use of veterans organizations has such purpose as
its foundation; and hence such construction is legal, Annotation, 30
A.L.R. 1035.

While there are no judicial decisions
on the subject, to our knowledge in New Hampshire, the practice of
granting public funds, through legislative appropriations to veterans
organizations is so long and well established here as clearly to demon-
strate the constitutional views of the legislature in that regard over
a long period of time. The absence of challenge in the courts would
tend to confirm the accuracy of the views of the legislature. It is
believed that the veterans organization which is the subject of your
question is the New Hampshire Veterans Association. If so, the history
of that organization well illustrates the principles suggested above.
From the very year in which the Association was incorporated, 1881 (Laws
1881, c. 161), until as late as 1947, it has been a recipient of public
funds. In 1881, \$3000 was appropriated "for the erection of barracks
upon and fitting up the grounds of said association for the use of the
veterans in their annual reunions and gatherings." Laws 1881, c. 114.
In 1883, \$2000 was appropriated to be spent in painting the barracks

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erected by the state and to pay the accrued debt on the dining pavilion built by the Association, Laws 1883, c. 118. 1885 saw the appropriation of \$2000 for the erection of a headquarters building for the Association, Laws 1885, c. 104. Over the years there have been a great many pieces of similar legislation; the foregoing are ample, however, to demonstrate the point that direct assistance to the Association is a practice long established.

In two opinions of the justices rendered in 1937 and reported at 88 N.H. 484 and 88 N.H. 494, the court pointed out that an appropriation of public money for a private purpose is forbidden. It followed that statement with this language:

"No less is the pledge of the public credit, or its guaranty, for a private obligation void. An obligation which may require money to be raised eventually by taxation to meet it stands on equal footing with one that is certain to do so." 88 N.H. 489.

We take the foregoing language to mean that while the state can neither lend nor give its money nor pledge its credit with respect to a private purpose, it may do any one of these -- they all stand on an "equal footing" -- if the purpose be a public one.

The rendering of assistance to the New Hampshire Veterans Association being a public purpose, the state may render such assistance by lending its credit through the guaranty of the Association's bonds.

Very truly yours,

Warren E. Waters
Deputy Attorney General

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